

1. [Introduction to Bitcoin](#)
2. [What Is a Cryptocurrency?](#)
3. [What Is Bitcoin?](#)
4. [How Do You Get Bitcoin?](#)
5. [Making Payments with Bitcoin](#)
6. [Processing Payments with Cash, Bitcoin, and Electronic Payments](#)
7. [Is Bitcoin Money?](#)
8. [Why Should I Care About Bitcoin?](#)
9. [Commodity Money or Fiat Money?](#)
10. [Why Is Bitcoin Valuable?](#)
11. [The Supply of Bitcoin](#)
12. [Why Does the Value Fluctuate?](#)
13. [Central Banking Explained](#)
14. [Is Bitcoin the Future of Money?](#)
15. [Is Bitcoin Better than Other Money?](#)
16. [Switching Costs and Bitcoin](#)
17. [Network Effects and Bitcoin](#)
18. [Regulations, Bans, and Bitcoin](#)
19. [Bitcoins vs. Altcoins](#)
20. [The Future of Bitcoin and the Blockchain](#)
21. [Conclusion](#)

## Introduction to Bitcoin

Dr. William Luther of Kenyon College introduces this course on bitcoin.

<https://www.youtube.com/embed/4gmbE9c3QlY>

"Bitcoin Introduction" by the Institute for  
Humane Studies

## **Description**

Dr. William Luther of Kenyon College introduces this course on bitcoin.

What Is a Cryptocurrency?

Dr. William Luther of Kenyon College defines cryptocurrency.

<https://www.youtube.com/embed/fZl39tqIG3s>

"What is a Cryptocurrency?" by the  
Institute for Humane Studies

### **Description**

Dr. William Luther of Kenyon College defines cryptocurrency.

### **Exercise:**

**Problem:** The 'Crypto' in cryptocurrency means that

- a. the currency is guaranteed to be valuable after a predetermined amount of time.
- b. the currency exists in the digital world, and relies on encryption to make transactions secure.
- c. the currency is intended for use as a commonly accepted medium of exchange.
- d. the currency's value is determined by a central bank that makes judgements based on the type of encryption used.

---

### **Solution:**

- b. the currency exists in the digital world, and relies on encryption to make transactions secure.

What Is Bitcoin?

Dr. William Luther of Kenyon College explains what bitcoin is and how it works.

[https://www.youtube.com/embed/0iVbzm66\\_WY](https://www.youtube.com/embed/0iVbzm66_WY)

"What is Bitcoin?" by the Institute for  
Humane Studies

### **Description**

Dr. William Luther of Kenyon College explains what bitcoin is and how it works.

### **Exercise:**

**Problem:** The core of the bitcoin system is

- a. the group known as Satoshi Nakamoto.
- b. the private key.
- c. the public key.
- d. the block chain.

---

### **Solution:**

- d. the block chain.

## How Do You Get Bitcoin?

Dr. William Luther of Kenyon College describes the three different ways to get bitcoin.

<https://www.youtube.com/embed/hyfk-HyMkvk>

"How Do You Get Bitcoin?" by the  
Institute for Humane Studies

### Description

Dr. William Luther of Kenyon College describes the three different ways to get bitcoin.

### Exercise:

**Problem:** The following are ways to obtain bitcoin EXCEPT for

- a. exchanging local currency.
- b. accepting bitcoin for goods or services.
- c. joining the Bitcoin server.
- d. mining bitcoin.

---

### Solution:

- c. joining the Bitcoin server.

## Making Payments with Bitcoin

If bitcoin is a digital currency, how does one make payments? Dr. William Luther of Kenyon College explains.

<https://www.youtube.com/embed/IIWLDE1-Uhs>

"Making Payments with Bitcoin" by the  
Institute for Humane Studies

### Description

If bitcoin is a digital currency, how does one make payments? Dr. William Luther of Kenyon College explains.

### Exercise:

#### Problem:

Although it is a digital currency, bitcoin can be exchanged face-to-face by using

- a. smartwatches, which can transfer bitcoin without even using the block chain.
- b. special handheld devices that deal only in bitcoin.
- c. a specific kind of credit card.
- d. smartphones, which can transfer bitcoin through scanning QR codes.

---

#### Solution:

- d. smartphones, which can transfer bitcoin through scanning QR codes.

Processing Payments with Cash, Bitcoin, and Electronic Payments  
Dr. William Luther of Kenyon College explains how payments with bitcoin are processed to avoid double spending.

<https://www.youtube.com/embed/0GPgyTKl3yA>

"Processing Payments with Cash, Bitcoin,  
and Electronic Payments" by the Institute  
for Humane Studies

### **Description**

Dr. William Luther of Kenyon College explains how payments with bitcoin are processed to avoid double spending.

### **Exercise:**

#### **Problem:**

To prevent double spending, bitcoin does not rely on a centralized clearing house, but instead relies on

- a. members of the bitcoin system competing to be the first to confirm a block of transactions.
- b. members of the bitcoin system competing to counter or destroy a block of transactions.
- c. several distinct clearing houses, which are independent from one another.
- d. a group of servers on the bitcoin system, which will record their transactions quickly.

---

#### **Solution:**

- a. members of the bitcoin system competing to be the first to confirm a block of transactions.

## Is Bitcoin Money?

Dr. William Luther of Kenyon College discusses whether bitcoin falls under the definition of money.

<https://www.youtube.com/embed/ffCYpM-u7C4>

"Is Bitcoin Money?" by the Institute for  
Humane Studies

### Description

Dr. William Luther of Kenyon College discusses whether bitcoin falls under the definition of money.

### Exercise:

#### Problem:

Bitcoin is a medium of exchange, but whether or not it's called money depends on

- a. bitcoin being adopted by the US Federal Reserve.
- b. bitcoin being commonly accepted.
- c. the value of bitcoin compared to other media of exchange.
- d. the value of bitcoin compared to the US dollar.

---

#### Solution:

- b. bitcoin being commonly accepted.



Why Should I Care About Bitcoin?

Dr. William Luther of Kenyon College explains why bitcoin is such an important economics and technological innovation.

[https://www.youtube.com/embed/t\\_FGf2s\\_sAk](https://www.youtube.com/embed/t_FGf2s_sAk)

"Why Should I Care About Bitcoin?" by  
the Institute for Humane Studies

### **Description**

Dr. William Luther of Kenyon College explains why bitcoin is such an important economics and technological innovation.

### **Exercise:**

**Problem:** Which of the following is NOT a benefit of bitcoin?

- a. It allows for transactions to be easily traced.
- b. It provides economists with a better understanding of the emergence of different kinds of money.
- c. It decreases transaction costs.
- d. It provides economists a contemporary example of monetary competition.

---

### **Solution:**

- a. It allows for transactions to be easily traced.

## Commodity Money or Fiat Money?

Dr. William Luther of Kenyon College discusses what kind of money bitcoin is.

<https://www.youtube.com/embed/yHWOag-Fj1c>

"Bitcoin - Commodity Money or Fiat Money?" by the Institute for Humane Studies

### **Description**

Dr. William Luther of Kenyon College discusses what kind of money bitcoin is.

### **Exercise:**

#### **Problem:**

The lack of an obvious nonmonetary use makes bitcoin appear to be a

- a. commodity money.
- b. paper money.
- c. fiat money.
- d. non-monetary commodity.

---

#### **Solution:**

- c. fiat money.

Why Is Bitcoin Valuable?

How did bitcoin become valuable? Dr. William Luther of Kenyon College explains how bitcoin became so popular.

<https://www.youtube.com/embed/DQBzDim5-48>

"Why Is Bitcoin Valuable?" by the Institute  
for Humane Studies

### **Description**

How did bitcoin become valuable? Dr. William Luther of Kenyon College explains how bitcoin became so popular.

### **Exercise:**

**Problem:** One possible reason bitcoin initially became valuable is that

- a. governments supported bitcoin.
- b. a small group of people initially agreed to accept bitcoin.
- c. bitcoin can be easily changed into other commodities.
- d. a very large group of people initially agreed to support bitcoin.

---

### **Solution:**

- b. a small group of people initially agreed to accept bitcoin.

## The Supply of Bitcoin

Dr. William Luther of Kenyon College discusses how the supply of bitcoin is stabilized.

<https://www.youtube.com/embed/50iDE2dbm-c>

"The Supply of Bitcoin" by the Institute  
for Humane Studies

### Description

Dr. William Luther of Kenyon College discusses how the supply of bitcoin is stabilized.

### Exercise:

**Problem:** Bitcoin resembles a commodity money in that

- a. the supply is not governed by an automatic mechanism.
- b. the demand is governed by an automatic mechanism.
- c. a central bank can help change the supply of bitcoin.
- d. the supply is governed by an automatic mechanism.

---

### Solution:

- d. the supply is governed by an automatic mechanism.

Why Does the Value Fluctuate?

Why is the value of bitcoin constantly changing? Dr. William Luther of Kenyon College explains how the demand for bitcoin affects the purchasing power of bitcoin.

<https://www.youtube.com/embed/E1ryoBdosiA>

"Why Does the Value Fluctuate?" by the  
Institute for Humane Studies

### **Description**

Why is the value of bitcoin constantly changing? Dr. William Luther of Kenyon College explains how the demand for bitcoin affects the purchasing power of bitcoin.

### **Exercise:**

**Problem:** Demand for bitcoin is affected by

- a. changes to the bitcoin protocol.
- b. changes to the perception of the future of bitcoin.
- c. the Federal Reserve.
- d. nothing; the demand for bitcoin is always steady.

---

### **Solution:**

- b. changes to the perception of the future of bitcoin.

## Central Banking Explained

Dr. William Luther of Kenyon College discusses how the lack of a central bank affects bitcoin.

<https://www.youtube.com/embed/TFSyNBMzlwo>

"Central Banking Explained" by the Institute  
for Humane Studies

### Description

Dr. William Luther of Kenyon College discusses how the lack of a central bank affects bitcoin.

### Exercise:

#### Problem:

Why are some economists afraid that bitcoin will suffer from frequent monetary demand shocks?

- a. All new currencies suffer these shocks.
- b. The supply of bitcoin cannot be be changed to meet increases in demand.
- c. Fiat money frequently suffers monetary demand shocks.
- d. The supply of bitcoin is regulated at the discretion of central bankers.

---

#### Solution:

- b. The supply of bitcoin cannot be be changed to meet increases in demand.

Is Bitcoin the Future of Money?

What is it that makes people want to use bitcoin? Dr. William Luther of Kenyon College introduces the next section on the advantages of bitcoin.

<https://www.youtube.com/embed/pfoToKvA4FQ>

"Is Bitcoin the Future of Money?" by the  
Institute for Humane Studies

### **Description**

What is it that makes people want to use bitcoin? Dr. William Luther of Kenyon College introduces the next section on the advantages of bitcoin.

Is Bitcoin Better than Other Money?

Dr. William Luther of Kenyon College discusses the advantages over other kinds of money.

<https://www.youtube.com/embed/SSwtaFzSOuY>

"Is Bitcoin Better Than Other Money?" by  
the Institute for Humane Studies

### **Description**

Dr. William Luther of Kenyon College discusses the advantages of bitcoin over other kinds of money.

### **Exercise:**

**Problem:** Which of the following is NOT a feature of bitcoin.

- a. It is completely anonymous.
- b. It allows for very small transactions.
- c. It prevents charge backs.
- d. It is not regulated by a central bank.

---

### **Solution:**

- a. It is completely anonymous.



## Switching Costs and Bitcoin

Dr. William Luther of Kenyon College discusses the costs associated with adopting bitcoin.

<https://www.youtube.com/embed/glQLiutS88>

"Switching Costs and Bitcoin" by the  
Institute for Humane Studies

### Description

Dr. William Luther of Kenyon College discusses the costs associated with adopting bitcoin.

### Exercise:

**Problem:** What is a "switching cost"?

- a. The cost of exchanging dollars to bitcoins.
- b. The mental cost of determining exchange rates.
- c. The cost of joining the bitcoin network.
- d. The costs associated with switching to a new currency.

---

### Solution:

- d. The costs associated with switching to a new currency.

## Network Effects and Bitcoin

According to Dr. William Luther of Kenyon College, entrepreneurs are finding innovative ways to solve bitcoin's network effect problem.

[https://www.youtube.com/embed/-otT\\_eJluYE](https://www.youtube.com/embed/-otT_eJluYE)

"Network Effects and Bitcoin" by the  
Institute for Humane Studies

### Description

According to Dr. William Luther of Kenyon College, entrepreneurs are finding innovative ways to solve bitcoin's network effect problem.

### Exercise:

**Problem:** The network of bitcoin users

- a. is too large for bitcoin to function in the immediate future.
- b. is constantly shrinking due to the bitcoin protocol.
- c. is small, but growing steadily.
- d. is large, but slowly shrinking.

---

### Solution:

- c. is small, but growing steadily.

## Regulations, Bans, and Bitcoin

According to Dr. William Luther of Kenyon College, bitcoin has been subject to extensive government regulations and even outright bans in some countries.

<https://www.youtube.com/embed/iSYlxrmoRbQ>

"Regulations, Bans, and Bitcoin" by the  
Institute for Humane Studies

### Description

According to Dr. William Luther of Kenyon College, bitcoin has been subject to extensive government regulations and even outright bans in some countries.

### Exercise:

**Problem:** The amount of regulations that are directed toward bitcoin

- a. encourages the use of bitcoin, as they provide stability.
- b. do not ultimately affect the use of bitcoin.
- c. are nominal, and should not usually be a part of the overall discussion of bitcoin.
- d. discourage the use of bitcoin as more regulations are added.

---

### Solution:

- d. discourage the use of bitcoin as more regulations are added.

## Bitcoins vs. Altcoins

Dr. William Luther of Kenyon College explains the differences between bitcoin and alternative cryptocurrencies.

<https://www.youtube.com/embed/CHe3-f7Uy7g>

"Bitcoin vs. Altcoins" by the Institute for  
Humane Studies

### Description

Dr. William Luther of Kenyon College explains the differences between bitcoin and alternative cryptocurrencies.

### Exercise:

#### Problem:

Altcoins have the “second mover advantage” over bitcoin because they

- a. are backed by a central authority.
- b. are a stronger version of fiat money.
- c. can make changes to their code or layout after observing problems with bitcoin.
- d. do not face the same regulations that bitcoin faces.

---

#### Solution:

- c. can make changes to their code or layout after observing problems with bitcoin.

## The Future of Bitcoin and the Blockchain

Dr. William Luther of Kenyon College discusses whether he thinks bitcoin or block chain technology will find widespread use in the future.

<https://www.youtube.com/embed/rCA6pgsdRVY>

"The Future of Bitcoin and the Blockchain"  
by the Institute for Humane Studies

### **Description**

Dr. William Luther of Kenyon College discusses whether he thinks bitcoin or blockchain technology will find widespread use in the future.

### **Discussion Question**

Dr. Luther is skeptical bitcoin will be widely adopted, but he does believe that blockchain technology will gain widespread use. What do you think? Do you think that bitcoin is superior to other currencies? Why or why not?

## Conclusion

Dr. William Luther of Kenyon College wraps up this course on bitcoin.

<https://www.youtube.com/embed/f8p65zvJciM>

"Conclusion" by the Institute for Humane  
Studies

## Description

Dr. William Luther of Kenyon College wraps up this course on bitcoin.